



Fiscal Year 2021-2022

# Sustainability Report

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# Message from the Chairman and CEO

Welcome to Datacolor's first sustainability report. Over the past year, we have taken major steps to strengthen our commitment to ESG (environment, social, governance), by formalizing a Sustainability Steering Committee, conducting our first materiality assessment, and developing a three-year roadmap. We are excited to share our progress in this report.

## Aligned With Our Mission

For over 50 years, Datacolor's mission has been to help our customers "get color right" by applying digital hardware and software technologies to better their businesses and our planet. To fulfill this mission we collaborate closely with customers by developing innovative products that solve color issues, reduce waste and increase workflow efficiency. By living our company's core values and the engagement and passion of our employees we will continue to improve and innovate to make the world a more sustainable place.

It is clear to us that businesses must play an active role in supporting ESG initiatives. Therefore, we are guided by the Sustainability Accounting Standards Board (SASB) Standards for the Hardware Industry and the Software & IT Services Industry. We identified nine material topics organized into three work streams: Responsible Operations, Sustainable Products, and Rewarding Workplace, and are committed to report on the progress we make.

## Delivering On Our Commitment

Throughout fiscal year 2021-2022, we focused on taking actions across all our material topics and in this report, you will read examples of how we continue to invest and meet our commitments. Here are a few key achievements from this year:

- We completed our baseline greenhouse gas (GHG) inventory for fiscal year 2021-2022, calculating our carbon footprint to better understand our impacts and opportunities for improvement.
- We completed three significant projects at our manufacturing facility in China, creating healthier and safer workplaces for our employees.
- We are committed to conducting our business in an ethical, legal, and socially responsible manner and we expect our suppliers to share this commitment. Already 80% of our materials suppliers (by spend) have signed our Supplier Code of Conduct.

## Our Sustainability Ambitions

With climate change being an urgent and complex challenge, we are committed to reducing our carbon footprint by 50% by 2030<sup>1</sup>. We put in place action plans in each of the nine material topics to help us achieve this ambition. For example, we are conducting an energy audit to determine additional energy saving activities and are assessing how to transition to renewable energy sources.

We also launched a detailed review of our product packaging to ensure environmental impacts are considered from the product design phase.

## In Closing

We invite you to learn more about our sustainability initiatives through this report. We would like to acknowledge the efforts of the members of our Sustainability Steering Committee in defining and managing this program, we are proud of our people's passion and commitment to our mission. There is a lot more for us to learn and improve and we are confident by working together and with full support of Datacolor's Board of Directors and Management team, we will deliver on our sustainability ambitions.



**Albert Busch**  
CEO



**Werner Dubach**  
Chairman

<sup>1</sup> This target relates to Scope 1 and Scope 2 emissions, against our FY 2021-2022 baseline.

# About Datacolor

## Datacolor at a Glance

**More than 10,000 business customers rely on Datacolor instruments and software daily.**

**Over 1 million photographers and creative specialists use Datacolor Spyder products.**

**400+ dedicated employees globally.**

**Sales, Service & Support available in 100+ countries.**

**40+ active patents.**

**ISO Certifications –  
ISO/IEC 17025:2017.  
ISO9001:2015**

**50+ years of delivering innovative color solutions.**

**Direct presence in 14 countries**

**Publicly traded on the Swiss Stock Exchange since 2009 (DCN.SW).**



# Products and Services

## Empowering Color Professionals for Over 50 Years

Since 1970, Datacolor's color management tools and software have helped color experts the world over get color right.



- Color Management Solution for Businesses
  - » Color management tools integrate technology, engineering, and innovation to digitize color for the world's biggest brands.
  - » Benchtop Spectrophotometers
    - Increase efficiency and color confidence with our suite of precision-grade benchtop devices.
  - » Portable Spectrophotometers
    - Take color management and measurement on the go with these handy, easy-to-use portable instruments.
  - » Color Management Software
    - Access lab-grade matching and recipe optimization while saving time and money with our powerful color formulation and feature-rich quality control software.

- » Visual Evaluation and Lab Tools
  - Find the color lab dyeing and dispense solutions, light booth, sample conditioning products you need to get color right for your brand and supply chain partners.
- » Color Audit Services
  - Reduce the time and cost of product development and ensure supply chain quality with our color assessment and lab audit services.
- ColorReader for Designers
  - » Color professionals capture color on-the-go with the Datacolor ColorReader, built for precision color measurement.
- Spyder for Photographers
  - » Achieve your creative vision with the Datacolor Spyder, the tool professional photographers use for high-quality color calibration.



## How We Help Our Customers

Datacolor's color management solutions help our customers meet their sustainability goals by minimizing waste caused by off colors, utilizing recycle features that allow mis-tinted materials to be reformulated, reducing the need for physical samples to be shipped around the world for evaluation, and improving operational efficiency overall. Here are some of our customers' stories.

### Pioneer Industries

This leading Thai plastics producer reduced waste by 600 tons and save over 500 million dollars.

*[See how Pioneer leveraged color matching software to achieve cost effective, accurate color](#)*

### DK Company Fashion Group

Eliminated the need to ship thousands of dyed samples for approval each year and sped up production by several weeks.

*[Discover how DK Company saved time and money with digital color management](#)*

### Bezema Laboratory

Realized 20-30% energy savings in the dyeing process at their lab period.

*[Learn how Bezema's lab conserved energy by utilizing state-of-the-art dyeing processes](#)*

### PPG

Leveraged automation and smart formulation software to achieve increased production speed and decreased overall waste.

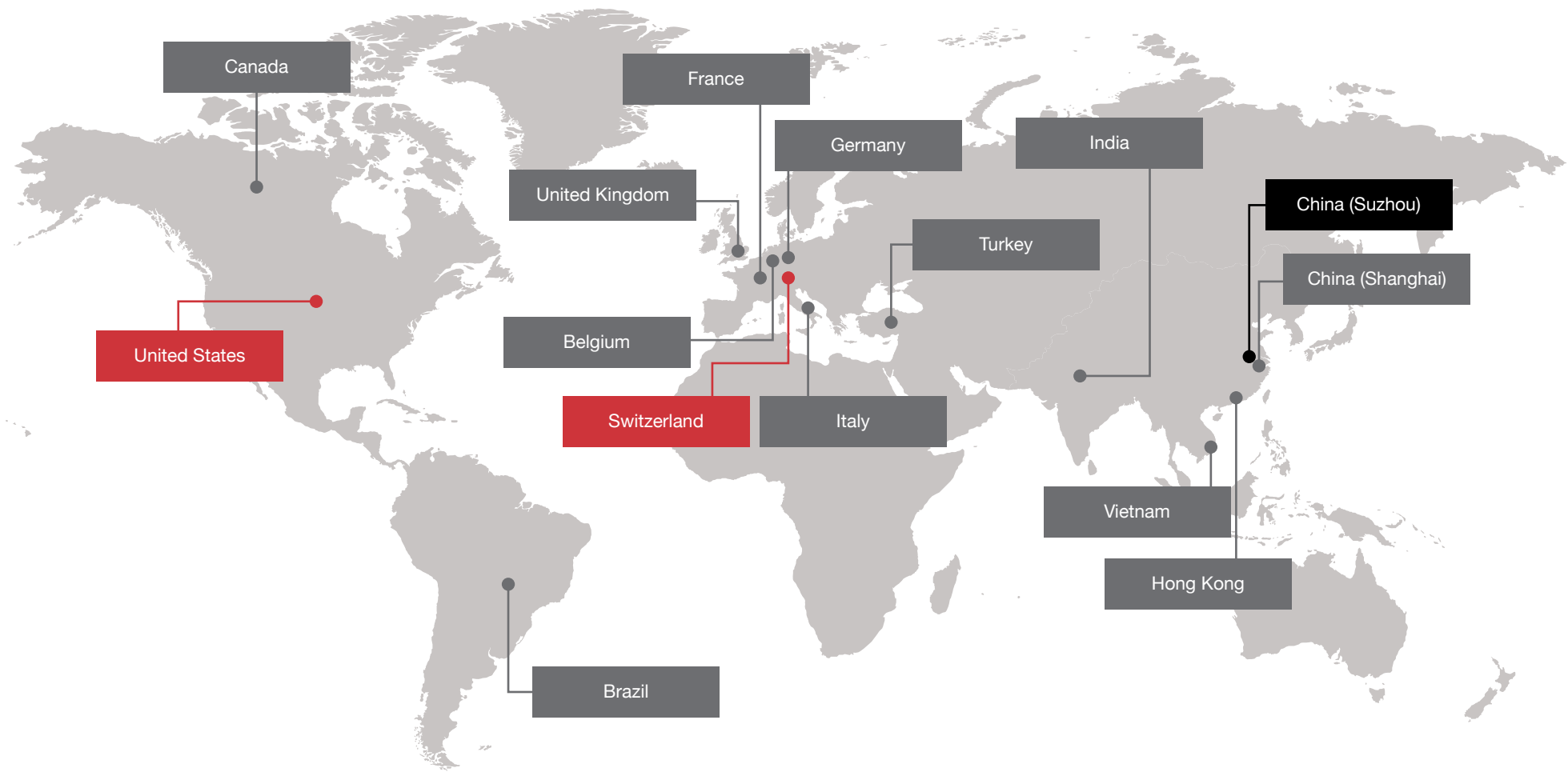
*[Gain insight on how PPG streamlined their production process](#)*

Discover [the ways](#) digital color management can help companies achieve their sustainability goals.

# Map of Operation

With offices across the globe, we offer the critical direct support our customers need to get color right.

- Corporate functions
- Sales and service office
- Manufacturing





# Datacolor Leadership

For over 50 years, Datacolor has remained at the forefront of color management technology. Meet the leaders in color communication.

## Board of Directors



**Werner Dubach**, 1943, CH Chairman, Board member since 1981, Elected until AGM for fiscal 2021/22

Dipl. Ing. Chem. ETH Zurich  
MBA Wharton, University of Pennsylvania

Since 2009 Chairman of the Board, Entrepreneur Partners AG  
1981-2009 CEO and Chairman, Eichhof Holding AG



**Jvo Grundler**, 1966, CH Deputy Chairman, Board member since 2017, Elected until AGM for fiscal 2021/22

Dr. iur. University of St. Gallen  
LL.M. University of Cambridge

Since 2020 Deputy Chairman, Villiger Söhne Holding AG  
Since 2019 Board Member, Serto Holding AG  
Since 2017 General Counsel and Board Member, HIAG Immobilien Holding AG  
Since 2017 Of Counsel, Prager Dreifuss AG  
2002-2017 Ernst & Young Legal Services



**Hans Peter Wehrli**, 1952, CH Board member since 2001, Elected until AGM for fiscal 2021/22

Prof. em. Dr. oec. publ. University of Zurich

Since 2017 emeritus Professor of Business Administration, University of Zurich  
Since 2014 Board Member, Gebäudeversicherung Bern  
Since 1991 Board Member, Händi Holding AG  
2002-2020 Chairman of the Board, Swiss Prime Site AG  
1997-2019 Chairman of the Board, Belimo Holding AG



**Thomas Studhalter**, 1969, CH Board member since 2016, Elected until AGM for fiscal 2021/22

MS in Business Administration, Swiss Certified Accountant, HWV Lucerne

Since 2021 CEO, BDO AG  
Since 2019 Board Member, Eisner Holding AG  
Since 2019 Board Member, Bataillard AG  
Since 2018 Board Member, Swiss Prime Site AG  
2014-2020 Member of the Regional Management Central Switzerland, Partner, BDO AG  
2007-2014 Head of the Central Switzerland region, Partner, KPMG AG



**Hanno Elbraechter**, 1980, DE Board member since 2018, Elected until AGM for fiscal 2021/22

European Business Program (EBP) Ecole de Management (ESC) de Bordeaux

and University of Applied Sciences Münster  
Since 2014 Head of Business Unit Technology, Member of Executive Committee, DKSH  
2004-2014 CEO Asia, Deckel Maho Gildemeister

## Executive Management



**Albert Busch**, 1967, US/NLCEO

BS & MS in Electrical Engineering,  
University of Ghent

MS in Industrial Management,  
Catholic University Leuven

Since 2008 with Datacolor

Since January 2009 CEO

1991 – 2008 Management roles, NV  
Bekaert SA



**Philipp Hediger**, 1975, CHCFO

MS in Business Administration,  
University of Fribourg

Since 2018 with Datacolor

2016 – 2017 COO/CFO and Member  
of Executive Management Team,  
Sequel

2010 – 2016 CFO, Sequel

2007 – 2009 Director Financial  
Reporting, Kofax Group



**Kevin Quinn**, 1977, USExecutive  
Vice President Consumer Solutions

BA in Communications & Marketing,  
Loyola University Maryland

MBA Business Administration,  
Selling School of Business and  
Management, Loyola University  
Maryland

Since 2020 with Datacolor

2019 – 2020 – H2Brands Group,  
Chief Product Officer

2018 – 2019 – Stanley Black &  
Decker, VP Sales and Marketing

2005 – 2018 – IDL TechniEdge,  
LLC, Co-Founder & VP Sales and  
Marketing

2003 – 2005 – Newell Brands –  
Amerock Division, Strategic Account  
Channel & Trade Marketing Manager



**Tae Park**, 1963, USExecutive Vice  
President R&D and Operations

BS in Electrical Engineering /  
Biomedical Engineering, University  
of Pennsylvania

Since 2010 with Datacolor

2007 – 2010 VP of Engineering-  
Operations, Power Medical  
Interventions

2006 – 2007 Program / IP Manager,  
Kovio



**Patrice Jaunasse**, 1964,  
FRExecutive Vice President Sales  
and Support

MS in Engineering, Electronics,  
Telecom and Computer, ESEO

Since 2012 with Datacolor

2002 – 2011 General Manager and  
Sales Director EMEA, Tektronix

1998 – 2002 President and  
Sales Director, Nettest Telecom  
Instrumentation

# Our Approach to Sustainability

While Datacolor has a long history of corporate social responsibility, in late 2021 the company more formally developed its sustainability strategy and approach to environmental, social and governance (ESG) issues.

## Materiality

Working with an outside sustainability consulting firm, Datacolor completed its first materiality assessment to identify and organize the most important sustainability topics.

Using the Sustainability Accounting Standards Board (SASB) Standards for the Hardware Industry and the Software & IT Services Industry as a guide, we identified nine material topics organized into three workstreams: Responsible Operations, Sustainable Products, and Rewarding Workplace.



The resulting sustainability framework was used to develop a three-year sustainability roadmap to prioritize and plan for future ESG initiatives and guide the structure and content of this sustainability report.

## Sustainability Steering Committee

Datacolor's Sustainability Steering Committee, comprising cross-functional senior leaders, is responsible for the oversight and sponsorship of ESG activities. The Committee meets monthly to review progress against the annual sustainability action plan, identify and direct resources to upcoming initiatives and ensure seamless coordination between departments working on complex environmental and social initiatives. Datacolor's Chief Executive Officer, chair of the Sustainability Steering Committee, reports directly to the Board of Directors.



Responsible  
Operations



## Ethics and Integrity

At Datacolor, every decision we make is grounded in a commitment to ethics and integrity. Our corporate governance structure and sustainability practices ensure that fairness, integrity and accountability are embedded across all business functions.

### Code of Ethics/Policies

In FY 2021-2022, we updated our employee policies and created a separate Global Code of Conduct, which lays out our expectations and requirements for ethical business practices, fair labor and working conditions and environmental responsibility including:

- Bribery and corruption
- Conflict of interest and competition
- Confidentiality and trade secrets
- Diversity and inclusion
- Discrimination and harassment
- Work hours, wages and benefits
- Professional growth and development
- Privacy and data protection
- Health and safety
- Workplace security
- Child labor and forced labor
- Freedom of association

The Code of Conduct applies to all executives, directors, managers, employees, permanent and temporary employees of the company. This policy applies to all prospective and current employees of the company, as well as volunteers, contractors and consultants. Suppliers are expected to abide by these same values, which are covered separately in our Supplier Code of Conduct.

Oversight of this policy is provided by Datacolor's Board of Directors. Responsibility for implementing the policy is held by the Compliance Officer.



## Reporting Concerns and Whistleblower Protection

Datacolor adopted a whistleblower policy in 2019, which was later incorporated into the Global Code of Conduct. The policy provides options for employees and contractors to report breaches of general law, violations of Datacolor policies, or actions contrary to generally recognized principles of business ethics.

Under the Whistleblower Policy, Datacolor will not take adverse action against the Whistleblower for making disclosures in good faith, nor will it permit any employee or other person subject to Datacolor's control to retaliate against the Whistleblower. This protection of good faith disclosures applies regardless of the outcome of the investigation and even if a disclosure contains mistakes or errors. This protection also extends to persons who provide evidence or otherwise participate in the investigation.

Employees or contractors who retaliate against a Whistleblower or against anyone who provides evidence or otherwise participates in an investigation are subject to disciplinary action including termination of employment or business relations.

## Performance Highlights

| Indicator  | Unit of Measure | FY 2021-2022 Performance |
|--|-----------------|--------------------------|
| Monetary losses due to corruption and bribery              | \$ USD          | 0                        |
| Monetary losses due to fraud and anti-competitive behavior | \$ USD          | 0                        |
| Alleged breaches to the Global Code of Conduct             | Number (#)      | 0                        |
| Confirmed breaches to the Global Code of Conduct           | Number (#)      | 0                        |

# Supply Chain Sustainability

Our approach to supply chain sustainability is about ensuring that Datacolor’s sustainability values, expectations and requirements are upheld throughout the supply chain--on both the environmental and social issues. This includes how we choose our suppliers, how we mitigate sustainability risk in the supply chain, and ongoing engagement and collaboration with key suppliers that share our values.

Our strategies:

- 1. Engage with suppliers so they understand our expectations
- 2. Implement supplier screening to identify and mitigate sustainability risk
- 3. Engage in sustainable supply chain collaboration opportunities

## Supplier Code of Conduct

We are committed to conducting our business in an ethical, legal and socially responsible manner, and we expect Datacolor suppliers to share this commitment. Although there may be different legal and cultural environments applicable to suppliers, we require that suppliers comply with our Supplier Code of Conduct and meet minimum requirements in the following areas:

- Compliance with laws, regulations and published standards
- Anticorruption and fair competition practices
- Intellectual property
- Environmental practices
- Occupational health and safety practices
- Labor and human rights practices
- Monitoring, auditing and compliance

While this policy applies to all suppliers, significant suppliers—those who provide materials or services directly related to the production of our products—are required to sign their acknowledgment of our Code. Datacolor reserves the right (in addition to all other legal and contractual rights) to disqualify any potential supplier or terminate any relationship with any current supplier found to be in violation of our Supplier Code of Conduct.

## Performance Highlights

| Indicator                                      | Unit of Measure      | FY 2021-2022 Performance |
|--|----------------------|--------------------------|
| Suppliers signing the Supplier Code of Conduct | Percent (%) by spend | 79                       |

# Carbon and Climate

Datacolor recognizes that climate change is an urgent and complex challenge and that we have a role to play. We are committed to reducing our carbon footprint throughout our value chain and implementing decarbonization strategies into our product design process.

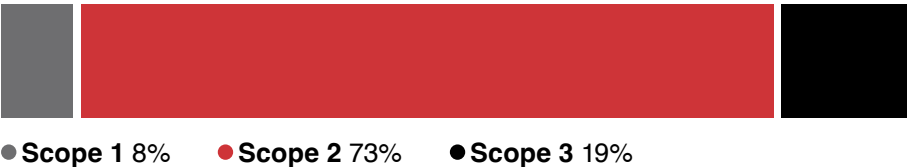
Our strategies:

- 1. Track and report our energy use, so that we can measure progress over time
- 2. Take a lifecycle approach to reduce our carbon footprint

## Carbon Footprint

We completed our baseline greenhouse gas (GHG) inventory for FY 2021-2022, calculating our carbon footprint to better understand our impacts and opportunities for improvement. The results showed that, unsurprisingly, our biggest impacts are related to our manufacturing operations. And across our emissions-generating activities, electricity accounts for about 73 percent of our total emissions. As a result, we are focusing on energy efficiency opportunities in our manufacturing facilities to drive carbon reduction over the next few years.

Emissions By Scope (MTCO2e)



## Energy

While a few of our offices use natural gas for heating during the cooler months, our main source of energy comes from electricity consumption, primarily at our manufacturing facility in Suzhou, China. While we have already implemented a number of energy-saving activities, such as high efficiency lighting, we believe there is more to be accomplished. Next year, we will work with an external consultant to conduct an energy audit to help us identify and prioritize opportunities. Longer term, we hope to transition to renewable energy sources for our electricity needs, as the Chinese renewable energy market continues to mature.

## Performance Highlights

| Indicator                   | Unit of Measure | FY 2021-2022 Performance |
|-----------------------------|-----------------|--------------------------|
| Scope 1 emissions           | tCO2e           | 343.6                    |
| Stationary                  | tCO2e           | 130.5                    |
| Mobile                      | tCO2e           | 213.1                    |
| Scope 2 emissions           | tCO2e           | 1,346.3                  |
| Scope 3 emissions           | tCO2e           | 142.3                    |
| Category 6: Business travel | tCO2e           | 142.3                    |
| Total energy consumed       | GJ              | 11,491.1                 |
| Electricity                 | GJ              | 5,931.8                  |
| Natural gas                 | GJ              | 2,456.7                  |
| Gasoline                    | GJ              | 1,495.8                  |
| Diesel                      | GJ              | 1,606.8                  |





Sustainable  
Products

## Product Safety

At Datacolor, we think about product safety in an expansive way – from the safe operation and handling of our products to the privacy and security of the information we store.

Our strategies:

1. Ensure product safety is built into the entire lifecycle, from design → manufacturing → use → end-of-life
2. Enable customers to use our products safely through training and education
3. Implement systems to protect data privacy and security



## Quality Assurance

We are relentless about the reliability and quality of our products. Datacolor is ISO 9001:2015 and ISO/IEC 17025:2017 certified. Our quality management systems include six key elements:

- **Document control** ensures that everyone in the organization has access to the most accurate and recent instructions and maintains proper records
- **Record control** includes the identification, storage, retention, protection, disposition, and retrieval of records, supporting compliance and enhancing the accessibility of data to improve business operations
- **Internal audits** identify and mitigate operational risks and check the effectiveness of internal controls in areas like administration, accounting, and financial reporting
- **Product control** helps us identify and eliminate the production and delivery of products or services that fail to match up to the specified quality requirements
- **Corrective action** processes define a problem, determine its cause, contain it, and develop appropriate actions to prevent the issue from occurring again
- **Risk and preventive action** creates processes to determine the risks and opportunities that need to be addressed to assure the quality management system is effective and can achieve continual improvement

## Product Safety

To ensure that our products can be operated and handled safely, we engage:

- **Safety-Focused Design**
  - » Datacolor product designers have extensive safety guidelines and protocols, ensuring that safety considerations are taken into account throughout the design process.
- **Third-Party Safety Certification**
  - » Datacolor uses independent, third-party safety and reliability testing. These testing and certifications are designed to ensure that products and their components meet applicable laws, regulations and industry standards.

## Data Privacy & Security

Datacolor has integrated data protection and privacy features into system engineering, practices, and procedures. This approach, called “Privacy by Design,” guides our [Privacy Policy](#), our approach to data handling and storage, the use of personally identifiable information, and cybersecurity. We follow these seven core principles:

### 1. Privacy must be proactive, not reactive

Anticipate and prevent events that violate privacy. Identify systems that do a poor job of protecting the privacy and take steps to correct them. This principle reflects a high-level commitment to privacy and the establishment of ways to integrate privacy concerns into new projects.

### 2. Privacy must be the default setting

Systems should automatically protect privacy, even if a user does nothing. For example, you should create user settings that are automatically set to the highest privacy level, and default to collecting the least personal information needed.

### 3. Privacy must be embedded in the design

Privacy should form part of a system’s architecture. Privacy should not be sacrificed just for easier interaction and handling. When involving third-party service providers for processing personal data, those service providers also need to follow the privacy requirements that Datacolor needs to meet. This often requires a – so-called – Data Processing Agreement as part of the service contract.

### 4. Privacy integrations must offer full functionality

Users should never have to make the choice between full functionality and privacy protection. They should have full access to features without having to give up more of their personal information (positive-sum instead of zero-sum).

**5. Systems must offer end-to-end security and full lifecycle protection**

Privacy protections follow the data, wherever it goes. These principles apply when the data is first created, shared with others, and then finally archived. Appropriate encryption and authentication should protect the data till the very end when it finally gets deleted.

**6. Privacy standards must offer visibility and transparency**

Datacolor is open and accountable about how we collect, store and use personal information. We are providing a global company privacy policy which can be found on our website explaining exactly how we handle personal data.



**7. Respect for User Privacy**

Always keep the privacy interests of the user in mind. Ask for consent from the user, give notice about privacy policy updates, and remain open and accountable. There needs to be a purpose for collecting data. Don't store anything personal just because "it's nice to have" or "we might need this in the future". Make sure that there is a reason for storing the data and that the user has given consent or there is a legal basis that allows us to store and process the data.

**Performance Highlights**

| Indicator  | Unit of Measure | FY2021-2022 Performance |
|--|-----------------|-------------------------|
| Number of recalls  | Number (#)      | 0                       |
| Number of units recalled   | Number (#)      | 0                       |
| Number of incidents of non-compliance with product safety laws and regulations | Number (#)      | 0                       |
| Number of data security and/or privacy breaches                                | Number (#)      | 0                       |



# Materials Management

We think carefully about the materials that we use and how to minimize their impact on the environment. Because our ultimate goal is to design products that solely use recycled and renewable materials, we're incorporating that thinking into product design and development, supplier selection, purchasing and packaging.

Our strategies:

1. Shift to low-impact raw materials
2. Prioritize raw materials with verified sustainability practices
3. Prioritize packaging that is made from renewable/recyclable materials and packaging that can easily be recycled

## Materials of Concern

Because we sell our product globally, Datacolor must comply with a complex set of rules, regulations and laws about chemicals, metals and minerals. We work carefully with customers to ensure that Datacolor products meet their specifications and are in compliance with applicable requirements. For example:

**Restriction of Hazardous Substances (RoHS)** restricts the use of specific hazardous materials found in electrical and electronic products, including lead (Pb), mercury (Hg), cadmium (Cd), hexavalent chromium (CrVI), polybrominated biphenyls (PBB), polybrominated diphenyl ethers (PBDE), and four different phthalates (DEHP, BBP, BBP, DIBP). Datacolor designs our products to be RoHS compliant to the EU RoHS standard. In

addition, we use third-party testing and labeling to align with the Chinese RoHS standard.

**Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)** is a regulation of the European Union, adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals. To comply with the regulation, companies must identify and manage the risks linked to the substances they manufacture and market in the EU. Datacolor is committed to working with customers to meet their REACH requirements.

**Conflict minerals** refers to raw materials that come from a particular part of the world where conflict is occurring and affects the mining and trading of those materials. They currently include the metals tantalum, tin, tungsten and gold, which are the extracts of the minerals cassiterite, columbite-tantalite and wolframite, respectively. Datacolor does not source any conflict minerals directly. For component parts that may include related metals, we work with suppliers to ensure they have appropriate tracking and controls in place.



## Packaging

Across our industrial and commercial product lines we think carefully about packaging, balancing the need to protect each product during transportation with the environmental impacts and financial cost of packaging systems. Next year, we will be launching a more detailed review of our consumer packaging, including:

- Developing a plan to ensure we provide clear documentation about how to safely recycle or dispose of product components and packaging for every Datacolor product
- Ensuring that all plastic packaging has the recycling number (1-7) identified on all new products and existing products with new packaging configurations
- Amending our product design process to include a specific step to consider the environmental impacts of packaging decisions
- Identifying opportunities to move away from plastic packaging for selected consumer products

## Performance Highlights

| Indicator                 | Unit of Measure | FY 2021-2022 Performance |
|---------------------------|-----------------|--------------------------|
| Total weight of packaging | Metric Tons (t) | 35.8                     |
| <i>Recyclable</i>         | Percentage (%)  | 94.4                     |
| <i>Not recyclable</i>     | Percentage (%)  | 5.6                      |

## End of Life Management

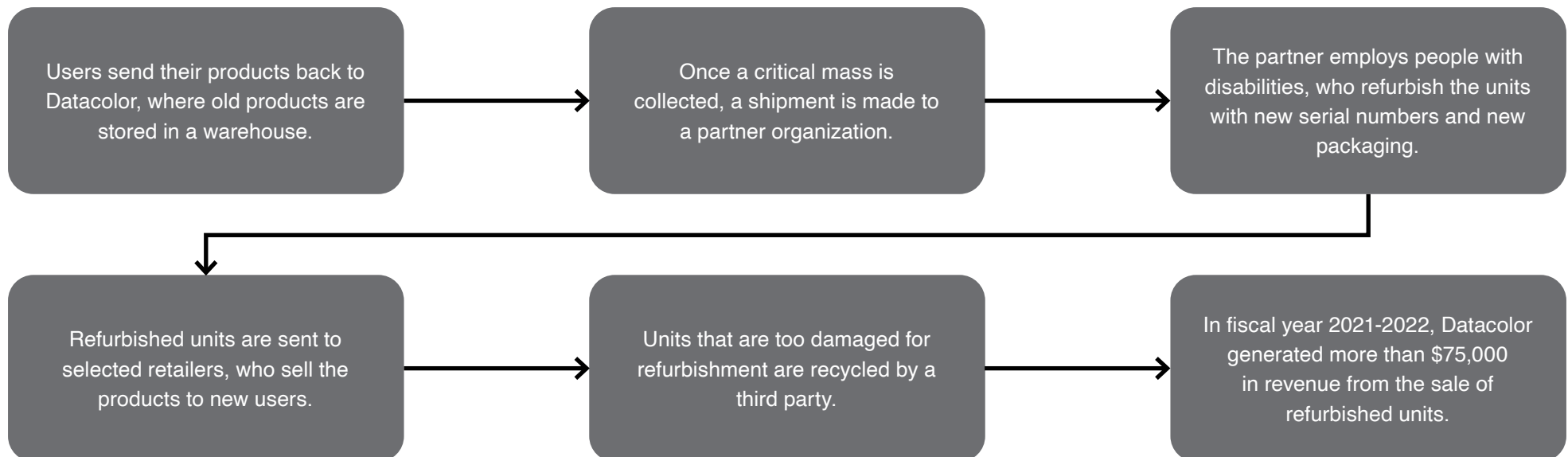
We are committed to integrating and optimizing the environmental impacts of our products and services at every stage of the product life cycle, with the goal that our products should never end up in a landfill. Extending the useful life of our products, creating secondary marketplaces for used/refurbished products, and empowering customers to make smart end-of-life disposition choices help us fulfill that commitment.

Our strategies:

1. Design products that can be easily repaired, refurbished and recycled
2. Extend the lifecycle of products through reuse, donation and refurbishment programs
3. Develop programs to understand and eliminate the landfilling of products at the end of their useful life

### Refurbishment Program

To manage the end-of-life impacts for our consumer products, which typically have a lower price point and a shorter lifespan, Datacolor has instituted an award-winning refurbish program in Europe which we plan to extend to other regions.



## Trade-In Program

Our industrial product lines are designed to work for many years, and their higher price point encourages users to extend each unit's useful life to the maximum extent possible. Nonetheless, when the time comes for a user to upgrade their product, Datacolor is ready to minimize the older product's end-of-life impacts.

Our trade-in programs allow selected customers to ship back their original unit to Datacolor, where we salvage parts that can be used again, such as monochromators and specular port mechanisms. The remaining parts are then destroyed and disposed according to local regulations.

## Rethinking End of Life

Datacolor has identified "end of life" issues as a priority for fiscal year 2022-2023 sustainability action plan.

## Performance Highlights

| Indicator   | Unit of Measure | FY 2021-2022 Performance |
|---|-----------------|--------------------------|
| Weight of end-of-life products and e-waste recovered (TC-HW-410a.4) | Metric Tons (t) | 0.23                     |
| Percentage recycled (TC-HW-410a.4)                                  | Percentage (%)  | 100%                     |





Rewording  
workplace



## Health and Safety

Our approach to employee health and safety is focused on the practices that ensure employees and contractors go home safe and healthy each day. While we primarily emphasize physical health, we also look at emotional, social, and psychological wellbeing.

Our strategies:

1. Implement health and safety systems to identify and mitigate job hazards
2. Equip employees to be safe at work, through training and education, personal protective equipment and sharing of best practices
3. Track and report safety incidents, including near misses, to understand and improve our safety performance
4. Inform employees on mental wellbeing through our wellbeing website

## Safety Management Approach

Datacolor is committed to providing a healthy and safe workplace. Each employee is responsible for working safely and for making use of training, resources and equipment provided to support a safe work environment. Our safety management systems include:

- **Hazard assessment:** We assess job hazards to ensure that appropriate steps are taken to maintain a safe working environment. Employees must immediately notify their manager of any immediate and significant danger to safety and health, or if any defect is found in our safety management systems.
- **Health screenings:** Selected workers at our manufacturing facilities undergo annual health screenings to ensure that they are not adversely impacted by any workplace health and safety concerns.
- **Employees receive safety training** appropriate to their job function. In particular, manufacturing and production employees receive regular training on topics ranging from how to prevent slips and falls to safe equipment handling.
- **Workplace security:** Datacolor is committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided, as needed, and are maintained with respect for employee privacy and dignity.

## Safety and Health Upgrades

During fiscal year 2021-2022, we completed three significant projects at our manufacturing facility in China, creating healthier and safer workplaces for our employees. They included:

- **Canteen upgrade:** as part of a larger refresh, we renewed the drainage system and replaced the flooring to a style with an abrasive finish, reducing the likelihood of slips and falls.
- **Air quality system:** we installed new air monitoring and pollution prevention equipment to ensure that discharged air meets local environmental requirements and is clean for employees and the surrounding community.
- **Coating room upgrade:** we enhanced the air conditioning system with humidity and temperature control capabilities and additional monitoring to ensure the safety of employees working in the area.

## Fitness Challenge

In fiscal year 2021-2022, Datacolor hosted fitness challenges throughout the year, encouraging employees and improve their physical health. In all, participating employees spend 414,698 minutes—nearly 7,000 hours—in pursuit of better health and wellbeing.

|        | # employees participating | # of countries | Total # of active minutes accumulated |
|--------|---------------------------|----------------|---------------------------------------|
| Fall   | 40                        | 7              | 75,292 minutes                        |
| Winter | 67                        | 8              | 169,298 minutes                       |
| Spring | 77                        | 10             | 194,407 minutes                       |

## Performance Highlights

| Indicator   | Unit of Measure | FY 2021-2022 Performance |
|---|-----------------|--------------------------|
| Total recordable incident rate (TRIR): Americas               | Rate            | 0                        |
| Total recordable incident rate (TRIR): Europe and Middle East | Rate            | 0                        |
| Total recordable incident rate (TRIR): Asia                   | Rate            | 0                        |
| Fatalities  | Number (#)      | 0                        |

## Diversity

We are committed to making Datacolor a safe, welcoming and inclusive workplace where everyone can be their authentic selves. This includes a focus on diversity and inclusion in recruitment/retention practices, family-friendly and worker-friendly policies and benefits, and workplace diversity demographics.

Our strategies:

1. Support efforts for more diverse candidates now and into the future
2. Develop diverse pipelines for promotion into leadership positions
3. Track and report diversity data to understand and improve over time

### Anti-Discrimination and Equal Employment Opportunity

Datacolor is committed to equal employment opportunity. Consistent with that goal, the Company is opposed to discrimination against any employee or job applicant because of his or her race, color, national origin, ancestry, birthplace, culture, nationality, citizenship, linguistic characteristic associated with an ethnic group, religion, creed, age, sex, sexual orientation, gender identity or expression (including gender reassignment), liability for military service, atypical hereditary cellular or blood trait, disability or handicap, marital or family status, domestic partnership, civil union or any other characteristic protected by law. These principles apply to all personnel decisions and to all terms and conditions of employment. Datacolor makes reasonable efforts to

accommodate disabilities and religious practices in accordance with law.

### Preventing Harassment and Bullying

Datacolor seeks to provide and maintain a workplace that is free of harassment of any kind. We prohibit any conduct that contributes to an intimidating or offensive work environment and/or interferes with a person's ability to perform his or her job, particularly when such conduct is based on a sexual, ethnic, religious, racial slur, other verbal or physical conduct relating to a person's:

- Age
- Genetics
- Marital or Family Status
- Religion
- Color
- Gender
- National Origin
- Sexual Orientation
- Disability
- Gender Identity
- Race
- Veteran Status



We do not tolerate harassment of employees by non-employees (e.g., clients, contractors, vendors) and, upon being made aware of same, will take steps to protect our employee from such conduct.

**Excerpt from our Code of Conduct:** *Do not assume that behavior that is not offensive to you is welcomed by others. Harassment may involve, but is not limited to, co-workers, supervisors, vendors, or clients. Harassment is a very serious violation of the Company policy and may result in counseling and disciplinary action up to and including termination of employment.*



## Performance Highlights

| Indicator                            | Unit of Measure | FY 2021-2022 Performance |
|--------------------------------------|-----------------|--------------------------|
| Total Workforce                      | Number (#)      | 392                      |
| Americas                             |                 |                          |
| Total Employees                      | Number (#)      | 114                      |
| Men                                  | Percent (%)     | 63%                      |
| Women                                | Percent (%)     | 37%                      |
| Racial/ethnic diversity <sup>1</sup> | Percent (%)     |                          |
| Under 35 years                       | Percent (%)     | 16%                      |
| 35-55 years                          | Percent (%)     | 46%                      |
| Over 55 years                        | Percent (%)     | 39%                      |
| Europe and Middle East               |                 |                          |
| Total Employees                      | Number (#)      | 82                       |
| Men                                  | Percent (%)     | 67%                      |
| Women                                | Percent (%)     | 33%                      |
| Under 35 years                       | Percent (%)     | 20%                      |
| 35-55 years                          | Percent (%)     | 55%                      |
| Over 55 years                        | Percent (%)     | 26%                      |
| Asia                                 |                 |                          |
| Total Employees                      | Number (#)      | 196                      |
| Men                                  | Percent (%)     | 59%                      |
| Women                                | Percent (%)     | 41%                      |
| Under 35 years                       | Percent (%)     | 31%                      |
| 35-55 years                          | Percent (%)     | 67%                      |
| Over 55 years                        | Percent (%)     | 2%                       |

Not all numbers add to 100 due to rounding.

<sup>1</sup> U.S. workforce only. Racial/ethnic diversity is based on United States EEO-1 categories and includes employees who self-identify as Asian, Black or African-American, Hispanic or Latino, and two or more races (not Hispanic or Latino).

## Fair Labor

At Datacolor, we are committed to upholding labor and human rights across our global operations. Our approach includes strong human resources practices that provide protections for employees, as well as opportunities for career advancement and skill building. We measure employee engagement and turnover to ensure that we remain a competitive employer, seen as a great place to work.

Our strategies:

1. Enact policies and programs that create a welcoming workplace, based on respect and inclusion
2. Use feedback mechanisms to understand and improve employee satisfaction and engagement

### Commitment to Labor and Human Rights

At Datacolor, we are committed to upholding labor and human rights in our relationships with employees, customers, suppliers, partners and in the communities in which we operate. Our approach to labor and human rights is informed by international laws, conventions and frameworks including the United Nations Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, and the International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work.

We recognize that we are part of the communities in which we operate, and we are committed to engaging in good faith with communities on human rights issues important to them. Where appropriate, we also engage with a wide range of civil society and other stakeholders on human rights issues related to our business. This includes issues in our company, across our value chain and with our community involvement.

### Promise of Respect and Fair Treatment

Datacolor is committed to treating all employees with respect and fairness. To demonstrate our commitment, we encourage employees to voice concerns about their treatment in an atmosphere of respect and cooperation.

### Forced Labor and Human Trafficking

We prohibit the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any form of human trafficking.

### Child Labor

We will not tolerate the use of child or forced labor in any of our operations and facilities. We do not tolerate the exploitation of children, their engagement in unacceptably hazardous work, and the physical punishment, abuse, or involuntary servitude of any worker.

## Freedom of Association

We respect our employees' right to join, form or not to join a labor union without fear of reprisal, intimidation, or harassment. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. The Company is committed to bargaining in good faith with such representatives.

## Employee Engagement

We recognize that the engagement and satisfaction of our



employees depends on listening to their concerns, equipping them to do their jobs successfully and providing opportunities for growth and advancement. To ensure that we are providing employees with what they need, so that they can perform at their best, we have a three-prong approach to engagement:

- **Training for directors and managers:** good management skills do not just appear; they need to be built and reinforced over time. In fiscal year 2021-2022, we worked with Datacolor directors and managers on “The Science Behind Happy and Engaged Employees” to help them understand the latest research on the connection between happiness at work and engagement levels, positive psychology in the workplace, what makes people engaged and the role of people managers in engagement. The training was supplemented with practical things managers can do to encourage employees to fully engage in their work and connect to Datacolor’s mission and purpose.
- **Engagement surveys:** we conduct an annual engagement survey to track employee sentiment over time. We ask questions about leadership and mission, training and development, career opportunities, care for employees and performance management. We consistently score well on overall engagement and are proud to have maintained and improved engagement during the challenges of the COVID-19 pandemic.



- **Ongoing feedback:** through an open-door policy and ongoing coaching and mentoring opportunities, we encourage employees to speak up outside of formal engagement channels. We are a close-knit team and opportunities to collaborate and innovate create daily opportunities to strengthen our team relationships.

## Performance Highlights

| Indicator          | Unit of Measure | FY 2021-2022 Performance |
|--------------------|-----------------|--------------------------|
| Turnover           | Rate            | 9.1                      |
| <i>Voluntary</i>   | Rate            | 7.2                      |
| <i>Involuntary</i> | Rate            | 1.9                      |





# About This Report

## Scope and Boundaries

This is Datacolor's first annual sustainability report, covering fiscal year 2021-2022 performance, from October 1, 2021 to September 30, 2022. The scope includes 100% of our operations using the operational control consolidation approach, unless otherwise noted.

Datacolor's carbon footprint, as well as the supporting environmental data used to make carbon calculations, following the Greenhouse Gas Protocol and included:

- Scope 1
  - » Stationary: natural gas used for heating buildings
  - » Mobile: company vehicles that utilize diesel and unleaded gasoline and which are owned or leased by the company
- Scope 2
  - » Electricity: (grid) used to power building systems including HVAC, lighting, irrigation, and water heating
- Scope 3
  - » Category 6: Business travel: passenger car vehicles owned and operated by third parties, including vehicles owned by employees, where the company reimburses employees and other third parties for vehicle use

The emissions factors applied to activity data for this GHGI incorporate the 100-year global warming potentials (GWPs) adapted from IPCC Assessment. Datacolor's fiscal year 2021-2022 greenhouse gas inventory (GHGI) utilizes the GWPs presented in

the Fifth Assessment Report (AR5). Emissions factors included WRI GHG Tool Version 4.7 International factors (electricity), EPA Climate Leaders Emissions Factor Hub (natural gas, gasoline and passenger car vehicle miles) and Environmentally Extended Input Output Emissions Factors (ground transportation spend). Some exclusions for specific data points are noted in our Inventory Management Plan, but these are deemed to be minimal and with negligible impact on our overall results.

## External Verification and Assurance

The Datacolor Executive Committee has reviewed this report and believes the contents to be accurate, fair and balanced. The report has not been assured by an external entity, nor has the data been third-party verified.

## Restatements

There are no corrections or updates from previous reports.

## Contact Information

For more information about our sustainability efforts, please contact [sustainability@datacolor.com](mailto:sustainability@datacolor.com).

## Cautionary Statement

This report contains forward-looking statements that reflect management's views with respect to future events. Such statements are subject to risks and uncertainties. Datacolor disclaims any liability that actual results correspond to the forward-looking statements and does not assume any obligation to update any forward-looking statements to reflect events or circumstances after the date of this report.

## SASB Tearsheet

We have aligned our report with the Sustainability Accounting Standards Board (SASB) industry standards for the following industries:

- Hardware (TC-HW)
- Electrical & Electronic Equipment (RT-EE)

### Governance Data

| Indicator   | Unit of Measure         | FY 2021-2022 Performance |
|---|-------------------------|--------------------------|
| Description of policies and practices for prevention of: (1) corruption and bribery and 2) anti-competitive behavior (RT-EE-510a.1)   | Discussion and analysis | See page 12              |
| Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption (RT-EE-510a.2)                 | \$ USD                  | 0                        |
| Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations (RT-EE-510aa.3) | \$ USD                  | 0                        |
| Description of approach to identifying and addressing data security risks in products (TC-HW-230a.1)                                  | Discussion and analysis | See page 19              |

## Environmental Data

| Indicator  | Unit of Measure | FY 2021-2022 Performance |
|--|-----------------|--------------------------|
| Total energy consumed (RT-EE-130a.1)               | Gigajoules (GJ) | 11,491.1                 |
| Percentage grid electricity (RT-EE-130a.1)         | Percent (%)     | 51.6                     |
| Percentage renewable (RT-EE-130a.1)                | Percent (%)     | 0                        |
| Amount of hazardous waste generated (RT-EE-150a.1) | Metric tons (t) | 24                       |
| Percentage recycled (RT-EE-150a.1)                 | Percent (%)     | 100                      |
| Number of reportable spills (RT-EE-150a.2)         | Number (#)      | 0                        |
| Quantity spilled (RT-EE-150a.2)                    | Kilograms (Kg)  | N/A                      |
| Quantity recovered (RT-EE-150a.2)                  | Kilograms (Kg)  | N/A                      |

## People Data

| Indicator                          | Unit of Measure | FY 2021-2022 Performance |
|------------------------------------|-----------------|--------------------------|
| Management (TC-HW-330a.1)          | Number (#)      | 28                       |
| Female representation              | Percent (%)     | 39                       |
| Racial/ethnic representation*      | Percent (%)     | 39                       |
| Technical staff (TC-HW-330a.1)     | Number (#)      | 25                       |
| Female representation              | Percent (%)     | 16                       |
| Racial/ethnic representation*      | Percent (%)     | 32                       |
| All other employees (TC-HW-330a.1) | Number (#)      | 65                       |
| Female representation              | Percent (%)     | 48                       |
| Racial/ethnic representation*      | Percent (%)     | 37                       |

\*U.S. workforce only

## Product and Supply Chain Data

| Indicator   | Unit of Measure         | FY 2021-2022 Performance |
|---|-------------------------|--------------------------|
| Number of recalls issued (RT-EE-250a.1)   | Number (#)              | 0                        |
| <i>Total units recalled (RT-EE-250a.1)</i>  | Number (#)              | 0                        |
| Monetary losses as a result of legal proceedings associated with product safety (RT-EE-250a.2)                    | \$ USD                  | 0                        |
| Weight of end-of-life products and e-waste recovered (TC-HW-410a.4)   | Metric tons (t)         | 0.23                     |
| <i>Percentage recycled (TC-HW-410a.4)</i>   | Percent (%)             | 100                      |
| Description of the management of risks associated with the use of critical materials (TC-HW-440a.1, RT-EE-440a.1) | Discussion and analysis | See page 21              |

## Activity Data

| Indicator                         | Unit of Measure   | FY 2021-2022 Performance |
|-----------------------------------|-------------------|--------------------------|
| Number of employees (RT-EE-000.B) | Number (#)        | 392                      |
| Area of manufacturing facilities  | Square feet (ft2) | 19,525                   |

**datacolor** 

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*Get Color Right*

[www.datacolor.com/sustainability](http://www.datacolor.com/sustainability)